

ONLY SOCIALISM CAN DESTROY FASCISM

LABOR POWER

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Guns, But No Butter!

Marxism Vindicated!

"The Call" Sees the Light

Wall Street Philanthropy

Imperial Unionism In The Colonies

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Imperial Unionism In The Colonies

Trading upon the workers' genuine hatred of Hitlerism, the Social Democratic lapdogs of British imperialism have raised the false slogan that only a British victory will save the remaining free labor union movements of the world from destruction.

It is a fact, of course, that one of the first principles of Fascism is to break up the free labor unions and to herd the workers into slave Labor Fronts which function as part and parcel of the fascist state apparatus. Wherever Hitler's hordes have penetrated, wherever Mussolini has been successful, no time has been lost in destroying the free labor unions or such remnants of free unionism as may have existed.

On the other hand, according to the apologists for British imperialism, whatever may be its shortcomings, it is today the proponent and defender of democratic rights and free unionism; as such it is the "lesser evil" to the fascist monster. Many workers, even class conscious workers, have succumbed to this specious reasoning. Emotionally overwhelmed by their hatred of Hitlerism and confronted with the grave danger of a Nazi victory, with its barbaric consequences, these workers have thrown overboard the sheet anchor of the class struggle and irreconcilable opposition to imperialist war, and have embraced the cause of British imperialism.

THE REAL BRITAIN

Only a fool or a knave would attempt to minimize the dangers of a Hitler victory. But it by no means follows that British imperialism is the ordained Saint George which is destined to slay the Fascist Dragon. Time and again we have demonstrated in these columns that the class interests of British imperialism render it incapable of carrying on a principled struggle against Fascism and that those misguided workers who place their faith in Britain to stop Hitlerism are doomed to horrible disillusionment.

The real character of British imperialism is demonstrated by the role it is today playing in India, at the very time when its apologists are proclaiming it to be democracy's hope and salvation. In the prologue to his autobiography, "Toward Freedom," recently published in the United States by the John Lane Company, Jawaharlal Nehru, leading Indian Nationalist

leader after Gandhi, reveals the true nature of British rule:

'Fascism and Nazism were anathema to us, and the horrors of Central Europe produced a powerful reaction on India. Yet we remembered (how could we forget) the horrors we had witnessed in India. Yet we saw and felt to the innermost core of our being, the day to day humiliations of our own people. We were not wise and clever enough to understand that, though fascism and Nazism were definitely bad, imperialism was not so bad after all.

"War came in Europe, and we discovered that India had also been declared a belligerent country, without so much as a formal reference or intimation to any representatives of the people of India. . . .

"The air resounded with loud cries invoking freedom and asserting the sanctity of democracy. They sounded good but we had heard these cries so often before and experienced for ourselves the aftermath. We could not easily be swept away, we were cautious, doubly so because of the way the war had been imposed upon us, despite our repeated warning. Was this freedom and democracy meant for us also or for the favored mortals who lived in Europe and its extensions? Did it mean that imperialism would go from here and elsewhere?

BRITAIN'S ANSWER

"We inquired from the British government and asked to be enlightened, so that we might know what course we should pursue. Our inquiries were considered irrelevant and impertinent. Yet the answers that they gave us indicated sufficiently clearly that there was no intention so far as they were concerned, no possibility of the ending of the imperialist structure in India, no question of power being transferred to people's representatives.

"The Viceroy and the British said no to us and our course seemed to be clear. The Congress Governments in these provinces resigned and parliamentary government in these provinces ceased to exist, because it was not prepared to submit to the British

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Editorials . . .

GUNS — BUT NO BUTTER!

In Europe, Asia and Africa, the Second Imperialist War has meant misery, starvation, and all manner of sacrifice for the workers of every country, whether belligerent or neutral, whether victorious or defeated. Now, as the United States draws closer and closer to open military participation in this war, it becomes clear that the same fate is in store for the American workers, if the ruling class has its way.

Time and again LABOR POWER has made the charge that the campaign for "National Unity" and "National Defense" has in reality been directed toward breaking down the independent organization of the workers as the preliminary to a direct attack on their living standards. We stated, and we repeat, that such drastic action must be taken by American imperialism in order, first, to regiment the entire nation to carry on the war, and second, to be able to oppose the totalitarian nations with their own weapons.

One vociferous section of ruling class apologists, composed for the most part of liberals, ex-radicals and New Dealers who are in favor of all aid to Britain, has repeatedly denied these charges. To prove the sincerity of their contention that the United States need not go fascist in order to carry on the war against the Axis powers, these liberals raised the two-fold slogan of "unlimited production for defense, while preserving all our social gains." One of the most starry-eyed of the New Dealers, Secretary of Agriculture Claude R. Wick-

ard, expressed the viewpoint of this group in an address before the annual meeting of the National Grange last November, when he stated:

"I submit that our democracy, if it is to be strong and unassailable, must give serious and continuous attention to the problem of bettering the lot of the low-income groups in cities and on the farms. It is only common sense to do this. Raise their incomes and you create new markets for the production of our machine industry and increasingly mechanized agriculture. That seems to be about the only place we can look for new markets in the world as it is today, and certainly it is the first place we would want to look for new markets. . . . We will be economically stronger and also morally and psychologically stronger as we make the American dream come true. . . ." These lofty sentiments were echoed throughout the liberal capitalist press.

People like Mr. Wickard constitute a grave danger to the working class, not because they do not mean what they say, but because their slogan, which is in truth self-contradictory and totally impossible of accomplishment, serves to create grave illusions in the minds of the workers as to the nature of imperialist war and its effects.

Is it possible to have "unlimited production for defense" while at the same time "preserving all our social gains?" Let us see how the mad preparations of the imperialists to enter the war have answered the question:

STRIKE RIGHT PERILED

As American capitalism slowly emerged from the depths of the worldwide economic crisis which began in 1929, the struggle of the working class to maintain its living standards became intensified. In the period of 1935-1938 the wave of new labor organization and strike action resulted in definite victories in the shape of higher wage rates, better working conditions and lower hours. This movement itself was only the reaction of the working class to the rising cost of living occasioned by the increased demand for commodities.

As production levels continue to mount to new post-depression highs, prices of commodities have likewise continued to rise. This is the real basis for the comparatively small wave of strikes which has broken out in the past year. But where previously the economic aspect of the strikes was the chief issue before the

public, the existence of the war hysteria has transformed each strike struggle into a political battle as well. "Strikes are interfering with National Defense." "The strikers are the tools of Fifth Columnists and saboteurs." "We cannot tolerate any interference with defense production." This is the way in which the capitalist class and its apologists meet the attempts of the workers to maintain their living standards.

They do more than talk, however. In many of the chief manufacturing states, crippling restrictions on the right to strike have been newly enacted into law. Thirty days notice of intention to strike must be given by workers engaged in enterprises "affected with a public interest" in the state of Michigan, five days notice in all other industries. Of course, almost every type of activity can be construed to be "defense" production and thus "affected with a public interest" and subject to the thirty day notice. Similar laws have been passed in other states. Compulsory mediation before striking is another bar to the workers' rights.

KNUDSEN ABOUT FACES

So far has this movement gone that even Messrs. Knudsen and Hillman of the Federal Government's Office of Production Management who had all along insisted that no new restrictions on labor were necessary, have now reversed themselves and are calling for Federal laws compelling workers to give advance notice of their intention to strike, and to submit all disputes to mediation. The effect of these laws is to permit the employers to get away with almost any abuse while the workers must go through all the rigamarole specified by the labor-hating legislators.

THE DRIVE FOR LONGER HOURS

The pressure of the trade union movement for the reduction of the work week to thirty-five and in some industries to thirty hours has practically ceased since the United States became the workshop for Allied imperialism. In fact the trend has actually been reversed. Overtime is now permitted by various unions which formerly barred it in their contracts; a longer working day has been proposed by various capitalist spokesmen as the only means by which to secure added production. The Twentieth Century Fund, a big business research outfit, has just issued a report prepared by a committee which included Philip Murray, C.I.O. President, which declares that "Any

major increase in the present defense program—such as war itself might bring—almost certainly would mean longer working hours or a reduced standard of living or both."

FREEZING WAGES

As usual, the most determined resistance of the employers has been offered to the workers' demands for higher wages. But now that the drive toward war has swung into full stride, the employers are being backed up vigorously by all the forces of the capitalist government, and particularly the army and navy. It is only a few short weeks since Secretary of the Navy Knox and Admiral Emory S. Land of the Maritime Commission sent telegrams to all commercial shipyards having government contracts, requesting them to maintain current wages and working conditions unchanged until the Shipbuilding Stabilization Committee is able to complete an investigation into the effect of wage increases on the shipbuilding program.

A new note has been injected into the employers' protests against higher wages. Capitalist spokesmen tell us daily about the threatening horror of inflation. Workers are told that if they persist in seeking higher wages this will result in higher prices and ultimately in inflation of the currency. Thus, they assert, higher wages will result in worsened conditions.

No intelligent worker is deceived by this specious plea. If the history of American labor struggles shows anything, it proves, not that higher wages result in higher prices, but, on the contrary, that every movement for higher wages has been the result of previous rises in living costs. The capitalist fear of inflation is quite genuine, however, for not only would dollar profits decrease in value (that is, in relation to what they could buy) but the financial stability of the entire capitalist system would be endangered.

The billions of dollars pumped into the war preparations industries have undoubtedly resulted in decreasing the army of the unemployed to an appreciable extent as well as increasing the aggregate purchasing power of the working class. The result is an increased demand for consumers' goods. But here is the rub: To prepare for the struggle against German imperialism, which is organized on the basis of complete subordination of the national industry to the interests of military production American capitalism must follow its example. If, at this of all times, an increased

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"The Call" Sees the Light

Among the folklore of the present imperialist war is the tale of a "Socialist" Britain. It has become a common practice in capitalist circles to speak in all seriousness of the "new order" daily emerging in Britain. The fact that the Labor party is participating in the British Government, 'strong man' Ernest Bevin being number-two man in the inner-War Cabinet, lends substance to this fantasy. To be sure, there is to be found a difference of opinion. There are those, among whom are numbered ex-Ambassador Kennedy and Senator Arthur Vandenburg, who profess to view this development towards "socialism" with great alarm. On the other hand, there are dissenters, the most conspicuous of whom is Dorothy Thompson, newspaper and radio columnist, who go into raptures about the new "socialist" order. The truth of the matter is that a "socialist" Britain is as much a fantasy as Hitler's loudly publicized new "proletarian" order for Europe.

Last month we took issue with the editor of *The Call*, official organ of the Socialist party, on this very question. *The Call*, too, had waxed eloquent about the great labor "gains" in Britain, arguing that Labor participation weakened the ruling class and prepared the groundwork for a "revolutionary" change. We are now happy to report that *The Call* has seen the light.

SUPPRESSING "THE RED FLAG"

In the February 22nd issue there is an article by the editor revealing that news of the sensational incident concerning Italian war prisoners in Greece singing "Bandiera Rosa" (The Red Flag), a stirring revolutionary Socialist song, had been completely suppressed in Great Britain. It was only at second hand and through the columns of *The Call* that the British Socialist and labor movement learned of this highly significant development. The British monthly, *Left*, after quoting *The Call* news report, gives vent to the following acid comment:

"If this report (i.e. the singing of "Bandiera Rosa" in the Greek prison camps) is true—and we have no reason to question it—then this is one of the biggest events that the war has yet produced. It also calls for immediate action. These men whose faith was not stifled by eighteen years of Fascist rule will not rise

to throw out Mussolini and replace him by a corrupt and cowardly Monarch. Socialism and Liberty' cannot be expressed by a King or a Badoglio any more than by a Lord Lloyd. These fighters for freedom now in British hands deserve better than that. They are true Allies, not Prisoners of War in the war against Nazism and oppression. Let the voice of British labor speak for, and to these men. Action like this will speak louder than any broadcasts by ex-friends of Mussolini. But where was B.B.C.'s (British Broadcasting Corporation) observer Dimbley at the fall of Koritz? Is his hearing so selective that he could not pick up the strains of 'Bandiera Rosa'?"

POLITICAL NAIVETE

The red-hot indignation of our editor is very much in order. But he betrays a high degree of naivete in expecting the Churchills, et al., to make common cause with revolutionary workers. The reticence which kept the British ruling class and its agents from broadcasting and publishing the news of the rekindling of revolutionary sentiment among the Italian soldiers can be readily explained. The British rulers have no interest in furthering a proletarian revolution in Italy. A proletarian revolution on the Continent could very well be the signal for a similar awakening in Great Britain. What British capitalism is interested in seeing consummated in Italy is a *palace*, not a socialist, revolution—a revolution which would confine itself to setting up a regime favorable to Britain. Any attempt on the part of the Italian working class to establish its own regime would be met with the iron fist of British imperialism—if Hitler doesn't beat them to the draw.

Significantly enough, the "Labor" members of the Government acquiesced in the suppression of "The Red Flag" incident. One need not be a prophet to foresee that these gentlemen are girding themselves to play the role of the hangman of the proletarian revolution, in the same manner as did the Eberts, Scheidmanns and Noskes in Germany at the close of the first World War.

SOCIALISM NOW

The Call editor concludes his article with the following exhortation:

"It is not enough . . . to talk in vague generalities about a "Socialist Britain" after the war is won. British Labor talked in just those terms during the first world war and then came Versailles. It must summon them (the oppressed masses of the continent) to a common struggle now for a real new order in Europe."

Following up on this line of reasoning, in the next issue there appeared an editorial entitled, "1917-1941" which reprinted two parallel quotations from the British *New Leader*:

"Britain after the war will not tolerate the scourge of unemployment."

Mr. Lloyd George, City Temple, 1917

"Britain after the war will not tolerate . . . the scourge of unemployment."

Mr. Arthur Greenwood, Labor M.P., January 13, 1941.

Incidentally, Mr. Greenwood, one of the shining lights of the Labor Party, is a member of the War Cabinet.

The Call's comment on this follows:

"Nothing could better illustrate what we meant when we said that British Labor must assume the responsibility of proving that—so far as they are concerned—the *struggle against fascism is also a struggle against the capitalism which breeds it, and that the two go hand in hand.* (Our Emphasis.)

THE CALL FALLS SHORT!

The Call here, and in its admonition against accepting vague generalities about "socialism after the war," hits the nail squarely on the head! However, while correctly posing the tactical problem before the British workers, it falls short in the specific application of these tactics. In the same degree that it is not enough to talk about socialism in vague generalities, it is equally insufficient to talk about the tactics for achieving socialism, in vague generalities. The indispensable first step in fighting for a Socialist order in Great Britain, as it is here in the United States, must be the repudiation of the official labor leadership and their suicidal policies of class collaboration and social peace. It is precisely here that *The Call* falls short. It fails to follow through the logic of its premise. Unless and until the British workers recognize that the "labor leaders" in the Government are not THEIR representatives but the labor lackeys of British Imperialism, and proceed to repudiate these mis-

leaders, all talk of Socialism NOW is futile. The policies of social peace as practiced by the British Labor Party can only serve to further entrench the rule of capitalism by breeding illusions among the workers as to the democratic, non-class nature of the capitalist government and the "fairness" of the British ruling class. Thus, the working class is disarmed and left at the tender mercies of its class enemy.

THE CONQUEST OF POWER

Before the workers can succeed in establishing Socialism they must first dispose of the capitalist watch dog, i.e., the political state which vigilantly stands on guard. Only through class conscious political and economic organization can the working class equip itself with the necessary strength for the conquest of power.

The graveyard of continental Social democracy and its trade unions epitomizes the fatal fallacies embodied in the program of class collaboration and gradualism which these organizations pursued from their very inception. The Bevens, Citrines, Greenwoods and Morrisons are leading the British labor movement into the same graveyard. It is not yet too late for British labor to save itself.

While we hail *The Call's* outspoken strictures against the weazel concept of reducing Socialism to a vague generalization to be fought for *after* the war is won, and its recognition of the need of the British masses to go over the heads of the Churchills and carry on "a common struggle with the oppressed masses of the continent," to obtain Socialism NOW, this is still not enough. We are living in the most critical period of the world's history and at such a time as never before, half measures are measures of weakness. If *The Call* is to perform its full revolutionary duty it must travel the entire road of the class struggle. It must break with the British Labor Party which has grasped the bloody hand of British Imperialism and has become its pliant tool.

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Business Manager, Labor Power—
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Wall Street Philanthropy

From press, pulpit and radio the American public is being fed the fiction that America's sole reason in aiding England is to preserve the democratic way of life and crush Fascism which threatens democracy with extinction. We are told that this is a sacred crusade, that no efforts should be spared, that sacrifices must be made and we should be unstinting and unselfish in giving "all-out-aid" to our democratic cousins across the sea.

When we penetrate this barrage of rhetoric, with its sentimental appeals and lofty phrases, we discover that the ones who are asked to sacrifice are the workers. They are told that they must sweat, work harder, put up with longer hours, and not strike—or else they may interfere with the holy task of preserving democracy.

As far as the other elements of society, "our best people"—the few capitalists with headquarters in Wall Street—as well as their servants and apologists—are concerned, the question of aiding England is not a sentimental one of giving succor to Anglo-Saxon blood relatives in the democracy across the pond but a matter of coldly calculated self-interest. With these gentry there is about as much sentiment connected with "all-out aid" to Britain as there is in selling herrings across the counter, buying shoe laces or speculating in real-estate. It is purely a matter of good business.

BRITISH AND U. S. RIVALRY

That such is the case is obvious when we consider both the reasons and the nature of the aid which has been given Great Britain. The chief reason why England is aided and Germany opposed is simply that at the present time Germany is a more immediate threat to the interests of American imperialists than is England. This does not alter the fact that even though they are allies now, the American and British capitalist classes have been engaged in keen economic and political rivalries in every corner throughout the globe.

This rivalry has not been eliminated by the military alliance between America and Great Britain. In fact, the ingenious Yankee traders have been making hay while the sun shines. They have not hesitated to take advantage of Albion's plight and the British capitalist class has been forced to pay dearly and will con-

tinue to do so for all aid emanating from this country. Wall Street is determined that although Hitler must be stopped, at the same time British imperialism must also be weakened, to the glorious end that American imperialism emerge from the war with a stronger stranglehold on world markets and sources of vital raw materials than ever before. American imperialism's aid to England is based and dedicated towards this objective and this mainly, regardless of all its noble utterances. Nor does the agitation on behalf of the Lend-Lease Bill in any way militate against this conclusion. This bill is no act of philanthropy. Having openly embraced the British cause, American imperialism finds that "all-out aid" has now become a matter of military necessity. In due time America will demand its payment for services rendered.

That such a new program is being carried out is indisputable. One of the things which had bothered American Imperialism for the past decade or so was the question of a merchant marine. An incongruous situation existed wherein American commerce was borne by foreign ships, a large percentage of these being British. Not only was American capitalism losing out on profits accruing from transporting commodities, but the fact that shipping was in the hands of their commercial rivals led to other economic and political disadvantages in their competitive struggle. Steamship companies with their various connections in the important ports of the world can often secure and switch trade to capitalist interests in their own nations with whom they have business connections. The American capitalists realized these disadvantages, but it was a costly and difficult venture for them to catch up with those who already possessed formidable merchant marine fleets, particularly Great Britain.

The war was a God-send. Due to the exigencies of the war England had to divert her ships from long established shipping lanes. The American capitalist gleefully grasped the golden opportunity and horned in where British ships formerly deployed, particularly on the South American, African and Indian trade routes. But American imperialism has gained far more even than this.

One of the bitterest pills which the war

forced the British capitalist class to swallow occurred in the famous deal where America sent fifty of its more obsolete destroyers and in return received strategic naval and air bases in Central and South American Islands. Despite the relative success of both Germany and Japan in encroaching on the Latin American markets in recent years preceding the present war, the economic heavyweights who were struggling for commercial and political supremacy in South America were Great Britain and the United States. When England ceded the bases acquired by the Yankee Imperialists in the destroyer deal, she practically ceded Yankee hegemony over Latin America. For it is obvious that Wall Street will use these bases as a means of dominating Central and South America against all rivals, and once they are consolidated there it will be next to impossible for British capitalism to oust them. An England emerging from a war such as the present will be too weakened successfully to retrieve what she is forced to hand over during her present desperate situation. All they can hope for is a jackal's share in the economic and commercial exploitation of South America.

In the case of "our friendly neighbor" of the north, Great Britain once again had to dig deeply into her pockets, to pay for the "generous" aid given it by American imperialism. The exploitation of Canada has always been shared between three groups. American capital, British interests, and a native Canadian bourgeoisie jointly share and divide the profits from the exploitation of the Canadian working-class. Prior to the war, the bourgeoisie, like a woman with two lovers, first favored one and then the other to enhance her own standing. The Canadian bourgeoisie coquetted with both American and British capital and was wooed ardently by each faction. But now things are different. The Canadian bourgeoisie is turning definitely pro-American, realizing that only Wall Street has the forces to preserve it; consequently, they are signing pacts with America and thus bringing Canada more and more closely within the economic and political orbit of Yankee imperialism and further and further away from the loving protection of the crown.

The trade of South American and Canada, and a greater share in the exploitation of the Far East by American imperialism is the price Great Britain must pay American capitalism

for the aid it needs. We can mention several other factors illustrating this process, such as transference of British securities in America and other parts of the world into Yankee coffers.

England is in the position of a person who is suffering from blood poisoning. To save her life an arm must be amputated. To save its empire it must give up part of it, and while there are great possibilities that America in the West and Russia in the East may come out stronger if Germany is beaten, one thing is certain; the British Lion will emerge badly mangled and much weakened. For in stopping Hitler with American aid, they will at best score a Pyrrhic victory.

Wall Street plans to come out stronger than ever before at the most of all contestants involved. But whether Wall Street plans are fully realized or not we know that the working class in America cannot gain by a victory of any of these clashing imperialisms. American capitalism if it is to realize its plans to win the war can do so only by employing the same methods of the Fascists, methods which it hypocritically denounces. It must fight fire with fire. Regimentation, concentrated control and abolition of the few concessions which workers received under bourgeois democracy are the immediate objectives of the pirate gang with headquarters in Wall Street. Brought in by the exigencies of the war, once these methods prove their efficacy they will probably become permanent features of American capitalism.

Thus unless the workers take matters into their own hands, and take over the control and ownership of the means of production, they face the dismal future of existing under fascism, under conditions which are even more miserable than the ones they suffer under now. History is posing the problem: either worse exploitation or the elimination of exploitation altogether.

LABOR POWER is dedicated to the task of bringing the attention of workers to this great historical problem which so drastically affects them and to show the means that must in a way that will assure them a happy and fruitful existence, instead of the hellish existence which capitalism is preparing them for under a totalitarian regime.

—M. PRIZANT.

GUNS — BUT NO BUTTER!

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purchasing power is permitted to divert a larger share of productive capacity to satisfying consumers' needs, American imperialism faces the danger of being unprepared when the moment for battle arrives.

When the Nazis popularized the classic slogan of modern imperialism, "Guns—Not Butter," they were not mouthing mere rhetoric. This aphorism represents the essence of totalitarian warfare. Those capitalist propagandists who talk of "Guns AND Butter" are indulging in a contradiction in terms. Mrs. Roosevelt, who has been known to launch new Administration policies even before they received official sanction, at a recent press conference "advised American families today to get ready to cross from their shopping lists new automobiles, aluminum pans and certain types of food in behalf of defense." She added that the time had come for the public, especially housewives, to "get in a frame of mind to do whatever we are asked to do." She said she expected the government in time to tell the public what it must do without. Secretary of Labor Frances Perkins also hinted at forthcoming government control of consumer purchase on a recent radio broadcast.

CAPITALISM'S CONTRADICTION

How ironic! For twelve years, ever since the capitalist crisis began, the pundits of the bourgeoisie have been racking their brains to discover ways and means to raise the purchasing power of the masses so that the wheels of industry might turn more rapidly. Now that the war has brought about this longed-for moment, capitalism cannot supply the goods, and in fact are trying to prevent that purchasing power from growing further.

Many and varied have been the remedies suggested to meet the "danger" of increased purchasing power among the workers. Chief of these, of course, have been the direct attack on attempts of the workers to secure wage increases and a campaign to abolish the principle of time-and-one-half for overtime. Another "remedy" recently proposed by some capitalist economists calls for the institution of "compulsory savings." Under this plan, a certain percentage of the worker's pay would be automatically withdrawn by his employer and put in a bank "for the duration." This would have the doubly "beneficial" effect of keeping down the demand for consumers goods and at

the same time putting more capital at the disposal of the capitalist class for the prosecution of the war. Finally, in the immediate future the U. S. Treasury Department plans to set in motion a high-pressure campaign for the sale of "baby" war bonds a la 1917, to reduce still more the demand for goods.

Only three short months ago Secretary of Agriculture Wickard was going to make "our democracy . . . strong and unassailable" by raising purchasing power. Today New Dealer and Old Dealer alike have united in common efforts to prevent any increase in purchasing power as the greatest threat to their "defense" program!

"WE HAVE WHAT IT TAKES"

In view of these numerous indications that the lot of the working class has steadily worsened since the United States began actively to prepare for entrance into the present war, we can judge at its true worth the assertions of the so-called liberals that American capitalism can supply both "Guns AND Butter." D. E. Montgomery, Consumers' Counsel, U. S. Department of Agriculture, made the statement in a recent speech that "We have what it takes to build the machinery of defense and at the same time to build a desirable and defensible standard of living for every man, woman and child." He was quite correct; we do have "what it takes" to supply the needs of every person in this land. But as long as capitalism has control of those instruments of production, the needs will never be supplied.

The working class will find through harsh experience that neither in peacetime nor in wartime do the capitalists intend to further the interests of labor. Those who, mistakenly or otherwise, lead workers to believe the opposite, are playing a despicable role in the present era of imperialist reaction. While the reaction, as represented by the united forces of the Roosevelt Administration and the Republican interventionists, openly talks of the necessity of "sacrifices," thus disclosing the true nature of "defense" as it affects the workers, the confusionists who seek to lead the workers into the camp of imperialism spread the illusion that the war preparations have something in common with expanding democracy and higher standards of living. In reality, the only hope of the working class lies in militant struggle to maintain living standards, coupled with economic and political organization for the abolition of capitalism.

Marxism Vindicated!

The temporary National Economic Committee has recently issued a report on life insurance and its ramifications, compiled by the staff of the Securities and Exchange Commission, which is an epoch making contribution to the social and economic history of this country.

The report reveals that 365 life insurance companies, with total assets of 28 billions of dollars, are rapidly becoming the dominant factor in the economic structure of the country; and shows the inroads of monopoly in the insurance field. The report points out that five companies control 54.2 per cent of the total assets of all the life insurance companies in the United States. These five companies are controlled by 135 directors who also serve as directors in 100 other insurance companies, 145 banks (which control practically all of the banking business of the country) and 534 industrial, real estate and other miscellaneous corporations. These companies in turn completely dominate the industrial life of the country. Here we have a picture of a net-work of interlocking directors which gives Finance Capital a stranglehold on the economic life of the nation.

PM, New York's newspaper summarizes the T. N. E. C.'s report in connection with the potent role that the insurance monopoly is playing in eliminating small business from the economic scene, in the following language:

"The situation may be summarized in these terms. *An ever increasing amount of the country's savings are flowing to life insurance companies, which are in effect sterilizing the savings funds received and preventing them from flowing into new enterprises or undertakings where the element of venture or risk is present.* Thus the small businessman or average industrialist is denied access to this more important capital reservoir."

The report said it was the character of the funds "which gives the life insurance companies their particular influence in the financial and business community." Pointing out that the money was long-time credit, available for development of business enterprises, it added:

"The bulk of the life insurance funds are handled by a group of eastern companies located in or neighboring on New York

City. These eastern companies draw in funds from throughout the nation and return them to distant cities and counties. Through their hands passes much of the country's wealth. The power to invest the tremendous sums involved under circumstances which permit the companies to exert the rights of creditors in exercising a continued control over their investments brings to them influence and prestige far beyond the borders of their immediate communities.

"Life insurance," it added, "has been the outstanding and most dynamic savings institution and this development has brought the companies such a tremendous proportion of the country's savings that the continued direction of these funds into channels where no assistance can be given to the small businessman or new enterprise is *certain to result in cutting out from under the economic structure the business foundation upon which the prime trustee securities rest.*"

Ninety years ago Marxist science laid bare the innermost laws of motion of capitalist society. With unerring prescience Marx foretold the bankruptcy of capitalist production. He traced the elimination of free competition and the inevitable concentration of wealth and centralization of industry into gigantic trusts. He pictured the development of the two opposite poles of capitalist society—fabulous wealth and degrading poverty and insecurity; together with a growing army of unemployed. He forecast the periodical economic convulsions of capitalist production and the world wars that the struggle for markets and sources of raw materials made inevitable.

And all this has come to pass!

Not only the insurance report but the whole series of economic reports issued by T. N. E. C. afford striking official confirmation of the Marxism thesis. They serve as an irrefutable answer to the faint-hearted and the mendacious critics and carpers against Marxism who have posed the question—has Marxism failed?

No, Marxism has not erred. Marxism has not failed. Only its blind muddleheaded critics have failed—failed to understand its teachings. Marxism has been confirmed in the crucible of history. It remains the only hope of humanity and civilization.

IMPERIAL UNIONISM IN THE COLONIES

(Continued from page 2)

government's fiat against the wishes of the people it represented. . . .

"The Viceroy's authority was supreme. He could make laws and unmake them, tax people and coerce them without the slightest reference to any representative body. . . . We hear a great deal about authoritarianism and dictators, and England's chiefs condemn both in resonant and forcible language. Yet in India there is a full-blooded dictatorship and authoritarianism.

"Our course was clear. Yet we restrained and held ourselves. . . . We had no desire to encourage the Nazi rulers in any way; the thought of their domination over Europe and elsewhere was a painful one. . . .

"We pledged ourselves for the organization of Indian defense and help in the war effort. . . . The fundamental basis for this proposal was the recognition that imperialist structure had to go.

"The Viceroy and the British Government have said a final no to us and India. . . . We ought to have known imperialism do not abdicate their hold even when it is manifest folly not to endeavor to do so. But in our simplicity we can not help feeling a mild surprise at the fact that the leaders of the British Labor Party, those champions of freedom and Socialism, should be responsible for this 'offer' [i.e., the latest British fake offer of freedom after the war—Editor]. But it is no offer. It is a decision announced and going to be imposed upon us whether we like it or not."

That is British imperialism! That is what the workers of the world are asked to support and defend in the name of fighting Fascism! Nehru, who wrote these lines, together with thousands of other fighters for Indian independence, now sits in prison, the victim of "democratic" Britain's fury.

"LABOR FRONT"— IN THE COLONIES

Confronted with a growing movement of revolt against its imperialist domination not only in India but throughout all of its colonies, the canny British ruling class has hit upon the shrewd device of undermining the movement by establishing a loyal colonial trade union

"opposition" on the order of the Trade Union Congress of England. The British Colonial office at London has just entered into an understanding with the British Labor Party and the leadership of the T.U.C. under which the latter are to aid in extending 'reasonable' and "responsible" unionism into the colonies.

The whole sordid maneuver was unwittingly laid bare by the *New Leader*, Social Democratic Federation weekly in New York, in its issues of February 8th and February 22nd. Commenting on the situation in Great Britain in the former issue, a staff writer, Dick Reynard, informed his readers for the first time that "Trade unionism in the British colonies, about which American 'radicals' weep, is developing rapidly. New legislation encouraging the formation of responsible trade unions has helped . . . deal with all labor matters. Three weeks ago it was suggested by the British Colonial Office—the bogeyman of 'left wing' literature—that the Trades Union Congress assign experienced labor leaders to the Crown colonies and Protectorates, to give advice to native unions as well as deal with native labor questions."

Two weeks later appeared the original dispatch from London upon which Reynard had based his comment. From this we learn that "The T.U.C., under Sir Walter Citrine's direction, is now working on plans to organize bona-fide trade unions throughout the colonial empire. This is a result of a tour of the British West Indian possessions last year by a labor delegation headed by Citrine, after widely publicized riots in Jamaica. The T.U.C. has convinced the government to sponsor the movement, which is now assured of training facilities for colonial unionists, and finances for the dispatch of British union leaders as temporary organizers in the colonies. . . .

"In addition, Bevin has developed a plan for the industrial training of India's workers. The project will advance understanding between Britain and India. . . . This scheme, sponsored by Bevin last December . . . in the hope that it would be a means of 'forging a new industrial link between East and West, because all the people who talk about Indian freedom are not all particular lovers of the working class'."

NO DIFFERENCE!

So obvious is the "Labor Front" character of this new British incursion into the organization of the colonial natives that any extended comment on our part would appear to be su-

penetrates. However, we cannot pass by unchanged the brazen affirmation that these completely governmentalized organizations represent bona-fide unionism. We wonder what these people would call fake unions if these examples of bona-fide unions!

COLONIAL MASSES REMEMBER

The scribblers of the *New Leader* wish their readers to believe that these government-sponsored unions are being organized to help the colonial workers fill a void. The fact is, however, that bona-fide organization already exists throughout the colonies. In India the workers' organization on the economic field have taken a strong stand opposing the war and branding it as imperialist and anti-working class. They have refused to render any assistance to the imperialist designs of their rulers.

The masses in India still remember their experience of the First World War when the British, once their victory was assured repudiated their promises to grant Home Rule to India. If now they refuse to pull Britain's chestnuts out of the fire, it is through no enmity for democracy or friendship for fascism. Quite the contrary! The colonial unions refuse to be bamboozled by the false cry that the British leopard has changed his spots and is now upholding democracy against fascism.

The capitalist professors and savants may deliver themselves of labored tomes "proving" that "Democratic" British imperialism is more progressive than its Nazi rivals; the Social Democratic flunkies of the *New Leader* stripe may hypocritically proclaim that Britain is more humane and benevolent than Hitler because they merely sentence their colonial opponents to "rigorous imprisonment" whereas a Nazi regime might have had them shot, but the colonial natives know better. They have lived under British imperialism's rule, they have tasted its bitter fruit.

They see, even today, thousands of their most militant workers and the flower of their intellectuals rotting in colonial jails because they dared to speak up for independence. They see India, after hundreds of years of British rule, despoiled and impoverished, a place of misery and starvation. They see the agents of imperial Britain busily at work spreading the poison of religious hatred and bigotry, to the end that Mohammedan shall be pitted against Buddhist, thus dividing their forces and sidetracking their common

interest to overthrow the oppressor. And finally, they see the brazen British refusal to loosen its imperialist grips on India at the very moment it is proclaiming itself to be the embattled champion of democracy!

It is because the native unions have refused to become the tools of their exploiters, because they dare to portray the British overlords in their true imperialist colors, that the British Colonial office has manifested its sudden new interest in organizing the colonial workers. That it is able to secure the co-operation of capitalism's "labor lieutenants" in the T. U. C. in carrying out its nefarious work only testifies to the utter disintegration and degradation into which the official working class movement in Britain has fallen.

Let it not be thought that the role of British imperialism in the colonies is something separate and apart from the fate of the British and the American working class. The British ruling class is not only the enemy of the oppressed colonial masses, it is also the exploiter and enemy of the British working class and of the whole international proletariat. To strengthen Britain in the colonies means to weaken not only the native populations in their struggle to break the yoke of the imperialist masters, but also to weaken the working class at home.

Heretofore the British ruling class has been able to afford the luxury of maintaining democratic forms at home. But democratic capitalism has now come to the end of the road. It is unable to organize effective resistance to the totalitarian rivals which attack it. The ruling class can only defend itself against Hitlerism by adopting Hitler's methods. Fascism is the concrete social and political expression of the bankruptcy and disintegration of capitalism.

The bloody role of British imperialism in India and the other colonies, its attempt to destroy native working class unionism by replacing it with its own brand of "Labor Frontism" gives the lie to the attempts of its apologists and lickspittles to portray Britain as the potential savior of democracy. British imperialism, no less than its rival, Nazi imperialism is the implacable enemy of the working class and of the oppressed masses of the world. Only the defeat of both imperialist camps by the revolutionary proletariat will assure the death of fascism and the victory of democracy throughout the world.

ONLY SOCIALISM CAN DEFEAT FASCISM!